

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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ANDERSON ADVOCATES SUBSIDY TERMINATION

Secretary of Agriculture Anderson again advocated termination of food subsidies in an address September 20 before the Agriculture-Industry Conference at Decatur, Ill. He made it clear that he is talking about subsidies as such and not about price supports. Quotations from his speech follow:

"In my opinion the subsidy problem can be solved by a series of steps. A good many subsidies, like the one on grapefruit juice, will expire within the next few months. They need not be renewed because it is no longer necessary to get big increases in production for war needs. Some other subsidies could be scaled down progressively until the need for incentives for expanded production has passed.

"The removal of subsidies for some products should have no effect on price. In some other cases removal of subsidies would result in some increase in the price to consumers. Removing the butter price rollback, for example, would probably result in a butter price roll-up. But in view of the great production of some crops, such as potatoes and citrus fruits, with a consequent decline in prices, the total effect upon the cost of living should just about cancel out.

"I believe that with very few exceptions all hold-the-line subsidies could disappear by next June 30. The end of war has made full scale continuation of these subsidies unnecessary. While we must continue to guard against inflation, we must recognize that many of the factors that made wartime subsidies necessary rapidly disappearing. I am convinced that the time for action is now. If we wait until food supplies are so plentiful that demand weakens and retail prices are falling and then eliminate the subsidies, the whole burden of the price decline is likely to fall on farmers. And you and I know what a long hard job it is to stop a headlong decline of farm prices once the snowball gets into motion. And we can't expect to have continuing full employment if the bottom drops out of farm prices."

Canned snap bean ceilings for 1945 packs are expected to be issued by OPA next week in an amendment to Supplement 13 to FPR 1.

Legislative Developments

During the past week Congress began debates on reconversion legislation requested by President Truman, and various committees of the Congress moved forward in preparing recommendations on other reconversion legislation.

On September 17 and 18, the Legislative Committee of the Association met at N. C. A. headquarters in a general review of the national legislative program sponsored by the President. Representatives of other fish canning associations met with the Committee to consider measures affecting seafood canners.

Delay in Congressional consideration of the Full Employment Bill and the Unemployment Reconversion Payment Bill suggests that some time may elapse before specific examination of such measures as permanent social security amendments and other phases of the presidential program is undertaken by Congress.

Unemployment Reconversion Payments—The Senate passed on Thursday S. 1274, which was reported by the Senate Finance Committee with the provisions summarized in last week's INFORMATION LETTER. In the Senate-approved bill the Senate retained the provision to supplement State payments for a total of 26 weeks from Federal funds. Proposals by Senators Barclay and Kilgore to restore the original objective of assuring a maximum payment of \$25 for 26 weeks were rejected. The Committee provision that Federal aid be given only on State request was rejected and an amendment offered by Senator Barclay adopted to require payment of benefits with Federal aid from the time State payments end until the 26-week maximum is reached.

In addition, the Senate adopted an amendment by Senator Lucas providing that the U. S. Employment Service facilities and personnel loaned by States to the Federal Government must be returned to the States within 90 days from the enactment of the bill. This was urged on the grounds of uniformity. Under the present operations of the USES, just transferred to the Labor Department, USES now determines whether a discharged employee may find a suitable job, while the State unemployment agency determines whether the unemployed person should receive unemployment payments. Since many States terminate unemployment payments upon refusal to accept a suitable job, it was considered desirable to coordinate both aspects of job placement and unemployment compensation payment within the state agency.

No opposition developed to extending coverage for these temporary payments to Federal workers and maritime workers.

Committee amendments to provide for transportation costs for

discharged war workers to their homes or new job opportunities, and to exclude agricultural processing workers from the bill, were adopted by the Senate.

Full Employment—The Senate Committee on Banking and Currency was reported to be preparing an approval of the Full Employment Bill (S. 380), substantially in the form summarized in last week's *Letter*. It is expected that this bill will be taken up by the Senate next week. Meanwhile, the House Committee on Expenditures in the Executive Departments announced that it will hold public hearings on the companion measure (H. R. 2202), beginning September 25.

Surplus Property. The President, during the past week, approved the bill previously passed by the House and

Senate to provide for a single Surplus Property Administrator.

Wage and Hours. Mrs. Norton, Chairman of the House Committee on Labor, introduced on Thursday, a bill to amend the Fair Labor Standards Act by increasing the minimum wage from 40 cents to 65 cents an hour. No other amendments would be made by the Norton bill. This is in addition to the previously reported proposals to amend the Fair Labor Standards Act. In view of its sponsorship by the Chairman of the House Committee, it is possible that this measure will receive particular consideration by the House Committee.

No further developments in other aspects of the Wage and Hour proposed amendments have been publicized.

PLANS DRAWN FOR ESTABLISHMENT OF CURRICULUM IN FOOD TECHNOLOGY AT PENNSYLVANIA STATE COLLEGE

State Canners Association Cooperates with Faculty Executives in Outlining Courses

Progress toward establishment of food technology courses at Pennsylvania State College is reported in the September issue of the Pennsylvania Packer, monthly publication of the Pennsylvania Canners Association. The initial steps were taken through a committee of the Pennsylvania Association which held a series of meetings with the college officials. The College has summarized the work of these meetings in the following statement:

The allied commercial interests report their desire to cooperate with the College in the installation of facilities for instruction and research in horticultural manufactures. The College, on its part, desires to extend its service in this field. It is understood:

1. The Department of Horticulture will offer an introductory course in horticultural manufactures beginning with the Fall semester, 1945-46.

2. A proposed curriculum in food technology, with opportunity to specialize in horticultural manufactures, developed by the School of Agriculture with the counsel of the industries represented, will be further considered by all the parties at interest and, when agreed upon, will be submitted to the College Senate and the Trustees for approval with the hope that it may be put into effect not later than the opening of the Spring Semester, 1946.

3. The School of Agriculture will prepare a list of equipment that is necessary to make a reasonable beginning in instruction and research on horticultural manufactures and will submit this list to the commercial interests in the hope that it may be possible for them

to contribute a part of the most essential equipment. This should be of the smallest size consistent with effective instruction.

4. The commercial interests presented a plan to provide funds for scholarships to students who register for training in horticultural manufactures, with the understanding being that part of their training will be in commercial plants.

5. The School of Agriculture will explore the possibility of providing housing on the campus for the proposed program of instruction and research, either in present buildings or in a new plant. The School of Agriculture, however will go forward with the program in horticultural manufactures immediately, just as far as its available budget and facilities will permit, without waiting for all the facilities which in its judgment are necessary to give most satisfactory service.

6. This program is intended to be strictly educational, not commercial, in objective and in scope.

The four year curriculum will provide for two years of basic courses with the junior and senior years devoted to specialized courses preparing the student for his chosen field in canning, freezing, milling, meat packing, etc. Summer work in food plants or in the fields will be required.

The members of the Pennsylvania Association's Food Technology Committee as reconstituted following the series of meetings are: Alan R. Warehime, Hanover Canning Company, Hanover, Chairman; T. Stran Summers, Chas. G. Summers, Jr., Inc., New Freedom; C. L. Snively, Consumers Packing Company, Lancaster; Gilbert Watts, Bellwood; A. W. Dutcher, Continental Can Co., Baltimore, Md.

Frozen Fruit and Vegetable Stocks Held in Cold Storage

Stocks of frozen fruits in cold storage on September 1, 1945, totaled 284,147,000 pounds against 239,839,000 pounds on August 1, 1945, and 246,472,000 pounds on September 1, 1944, according to the U. S. Department of Agriculture. Frozen vegetable stocks on September 1, 1945, were 162,295,000 pounds as compared with 134,512,000 pounds on August 1, 1945, and 166,355,000 pounds on September 1, 1944. The following table furnishes details by commodities:

	Sept. 1, 1944	Aug. 1, 1945	Sept. 1, 1945
FROZEN FRUITS	1,000 lbs.	1,000 lbs.	1,000 lbs.
Apples.....	6,506	30,009	24,840
Blackberries.....	8,095	7,780	12,748
Cherries.....	51,374	27,056	31,808
Young, Logan, Boysen.....	10,445	10,382	12,083
Raspberries.....	17,358	16,875	17,694
Strawberries.....	30,584	30,107	37,228
Grapes.....	3,755	4,814	3,947
Plums and prunes.....	3,115	4,143	3,685
Peaches.....	13,311	14,132	24,631
Fruit juices and purees.....	13,000	19,416	19,168
Apricots.....	10,000	10,106	32,200
Blueberries.....		1,617	9,281
All other fruits.....	89,129	45,312	54,674
Total.....	246,472	239,839	284,147
FROZEN VEGETABLES			
Asparagus.....	6,248	12,337	12,788
Beans, lima.....	3,441	1,896	3,545
Beans, snap.....	11,910	3,781	11,864
Broccoli.....	2,879	2,442	2,130
Cauliflower.....	1,038	998	936
Corn, sweet.....	6,895	3,127	5,518
Peas, green.....	60,704	73,792	89,806
Spinach.....	10,740	13,444	11,400
Brussels sprouts.....	1,862	923	798
Pumpkin and squash.....	2,696	3,930	3,655
Baked beans.....	4,924	1,504	1,480
Vegetable purees.....	473	651	452
All other vegetables.....	52,543	15,697	17,856
Total.....	166,355	134,512	162,295
OTHER FRUITS AND VEGETABLES			
Dried and evaporated fruits.....	149,955	86,509	75,779
Canned fruits and vegetables.....	2,678	6,645	7,86

Tomato Breeding and Selection for New Varieties Suitable

From yield records kept at the New York Agricultural Experiment Station of the most commonly planted canning varieties, it is evident that the varieties classed in the early or second early group have produced the largest yields per acre. Canners and growers are calling for earlier varieties in order to lengthen the season. Crosses made to produce an earlier variety with good quality fruit and satisfactory yields have been made and the resulting progeny include several promising lines.

WPB Removes All Restrictions on New Building Construction

Removal of all limitations on new construction October 15 was assured this week when the War Production Board revoked Order L-41 and the Office of War Mobilization and Reconversion announced a six-point program to speed expansion of the construction industry. The Government at the same time warned that the lifting of restrictions on construction would not increase the supplies of certain building materials and that no new construction should be undertaken unless absolutely necessary until the supply situation improves. The OWMR program for expansion of the construction industry follows:

1. Through inter-agency action an active campaign to increase the supply of scarce building materials will be undertaken and, if necessary, price and wage increases and priorities to break bottlenecks will be granted.
2. The War Production Board will strengthen inventory controls to prevent hoarding of building materials so that building will not be delayed by artificially created shortages.
3. The Office of Price Administration will strengthen price control of building materials to counteract inflationary pressure.
4. The Federal Credit agencies will do everything possible to discourage excessive and unsound lending on mortgages. They will enlist voluntary cooperation of banks and other lending institutions to minimize the danger of inflated prices due to excessive demand.
5. Representatives of industry groups including real estate, building supplies, and construction will be called to Washington to map out a voluntary program to increase quickly the production of all materials and facilities needed for an expanded home-construction industry, and also to help fight inflated building costs and real estate prices.
6. The National Housing Agency in conjunction with the industry representatives will provide an information and advisory service on home values available to any prospective home-buyer regardless of whether Federal assistance in financing is involved.

Grape Jam Ceilings Increased

Processors' new ceiling prices now being prepared for grape jams and jellies of the 1945 and later packs will, when issued, reflect the increased ceiling prices established for sales of Concord grapes for processing, the Office of Price Administration has announced. On August 28 the growers' ceiling price of Concord grapes sold for processing was increased from \$85 to \$127 a ton, delivered to the buyer's premises, in 10

eastern and north central States. The increase was granted because of unfavorable growing conditions that reduced the yield. At the same time, ceiling prices of Concord grapes grown in Oregon, Washington, Montana, Idaho and Wyoming were increased from \$52 to \$54 a ton to meet an increase in parity.

Grape jam accounts for about 18 per cent of the total jam production. Grape jelly represents about 21 per cent of the total jelly production, OPA said.

Public Salvage of Used Tin Cans Added 6,000 Tons to Stockpile

Salvage of used tin cans by the American public in the past three years added about 6,000 tons of tin to the nation's stockpile, the Conservation and Salvage Division of the War Production Board said September 30.

Our total tin stockpile on July 1, 1945, was only 95,572 tons, and of this only about 20,000 tons were in pure tin comparable to that recovered from tin cans. The rest of the stockpile was in the form of ores and concentrates that require smelting.

Although WPB sponsorship of the used tin can salvage program will cease officially on September 28 with the dissolution of the Conservation and Salvage Division, any communities and organizations that find it possible to continue their tin can salvage will be making a valuable contribution to reconversion by doing so, and will hasten the return of long-absent consumer goods, WPB said.

Along with the public tin can salvage campaign, WPB enlisted the cooperation of industry in accelerating the collection of industrial tinplate scrap left over from stampings in container manufacture and other processes. Approximately 10,000 tons of tin were recovered by detinning industrial scrap during the three year period.

Seed Treatment of Lima Beans

Red Cuproclide, Yellow Cuproclide, Copper Oxychloride Sulfate, Spergon, Semesan Jr., Fermate, and Arasan were applied as dusts at the rate of 1.5 ounces per bushel, in seed treatment tests conducted at the New York Agricultural Experiment Station at Geneva. The results obtained were largely influenced by soil moisture and temperature.

Under conditions of low soil moisture and low rainfall following planting, the stand was improved by treatment, regardless of temperature. Under conditions of high soil moisture and low

temperature, none of the materials used gave sufficient protection to be of commercial value.

While the copper materials had some value as seed protectants, they all caused a hardening of the seedcoat and stunting of seedlings which more than offset any value they might have as a seed protectant for lima beans.

In general, most of the materials used were of value in improving the stand under conditions favorable to results from seed treatment, and of these materials Spergon showed the most promise. Except in an unusually dry season, the increase in stand obtained from seed treatment was not sufficient to influence the yield. On the basis of these experiments, seed treatment of Fordhook lima beans is not recommended to Long Island growers as a profitable practice.

High School Students Will Not Be Drafted under New Ruling

National Headquarters of Selective Service on September 18 announced amendment of Selective Service Regulations to provide for the postponement of induction of high school students who entered high school before they were 18 years old until they have been graduated or until they become 20 years of age, whichever is the earlier, with the proviso that their course of instruction be pursued "continuously and satisfactorily."

The amended regulations provide for the postponement of induction of college and university students as follows:

Any person who entered upon a course of instruction at a college or university before he became 18 years of age and who is ordered to report for induction during a quarter or semester of such course of instruction shall, upon his request, have his induction postponed (1) until the end of such quarter or semester, or (2) until he ceases to pursue continuously and satisfactorily such course of instruction, whichever is the earlier.

Concerning postponement of induction of high school students the new regulations state:

Any person who entered upon a course of instruction at a high school or similar institution of learning before he became 18 years of age and who is ordered to report for induction during the time he is pursuing such course of instruction, shall, upon his request, have his induction postponed (1) until his graduation from a high school or similar institution of learning, or (2) until he ceases to pursue continuously and satisfactorily such course of instruction, or (3) until he arrives at the age of 20 years, whichever is the earlier.

CCC TO REIMBURSE SALMON CANNERS FOR EXPORT CASES

Canners Should Not File Claims Until Deliveries to Government Are Completed

The Association has been advised by the U. S. Department of Agriculture that since the government quota of canned salmon under War Food Order 44 has been materially reduced from that in effect April 1, 1945, canners are entitled to reimbursement for export packaging material not now required to fulfill the revised quota. In accordance with section 2 (d) of "Canned Fish—General Contract Conditions," USDA Form PBT-401, canners may file claims for the added cost of such material.

In order that this may be accomplished in a uniform manner, canners should not file claims until completion of deliveries of the government quota under each expiring contract. After that time a separate claim may be filed for excess export packaging material at the rate set forth in the contract, USDA states.

Alaska Canners

Claims from Alaska canners shall state the number of V2 boxes mutually agreed between the Commodity Credit Corporation and the canner and the number of export boxes, V1, V2, or wood, actually delivered by the canner to the Government. The difference between the above two items will represent the quantity for which claim may be filed at the rate provided in the contract for V2 boxes. Canners are not entitled to reimbursement unless they actually purchased and received the boxes required to fulfill the agreed V2 box quota.

Continental Canners

Claims from continental U. S. canners shall state the number of V2 boxes actually purchased and received in the fulfillment of the government quota as established by WFO 44 in effect April 1, 1945, in accordance with the memorandum of the Office of Supply, CCC, of March 9, 1945, entitled "1945 Case Program—Canned Salmon," and the number of V1, V2, or wood export boxes actually delivered by the canners to the Government. The difference between the above two items will represent the quantity for which claim may be filed at the rate provided in the contract for V2 boxes.

At the time of filing the above claim each canner shall forward to the Washington office of this Branch a report of V1, V2, and wood export boxes used for shipments to the Government, the number of such boxes used for shipments to others than the Government,

and the number and location of V2 export boxes on hand. If unused V2 export boxes for which adjustment payments have been made are utilized in any government purchase of the 1946 pack of salmon, the Government will make no additional payment of a differential on account of the use of such boxes.

If at the present time canners have not actually received the V2 boxes required to fulfill their V2 box quotas, it is suggested that an attempt be made to cancel any purchase commitments. If this can be accomplished without cost, such action should be taken in order to reduce the claim for boxes not required. If such cancellations can be effected only on payment of losses, you should notify this office the basis of cancellation in order that we may determine whether it is to the advantage of the Government to pay a loss rather than a case differential.

OPA Amends Order Affecting Canned Seafood Distributors

To qualify as a primary distributor of a kind of canned fish or seafood under the regulation governing maximum prices of these products, a seller must have handled the items as a primary distributor during any one year between April 28, 1939, and April 28, 1942, the Office of Price Administration announced September 19. Primary distributors are permitted a six per cent mark-up on canned fish and seafood.

Before this action was taken in Amendment 2 to Maximum Price Regulation 542, effective September 24, a seller, to qualify as a primary distributor of an item, must have operated as a primary distributor (in the manner described in Section 2 of the regulation) for a year before April 28, 1942. Under the interpretation of the former provision, if no sales were made during the year ended April 28, 1942, or if the sales were not representative of the applicant's business, the last year in which the applicant conducted his business was to be considered. Under the former provision, some sellers were able to qualify as primary distributors of items and charge the six per cent mark-up although they had long ago ceased to occupy a place in the distributive pattern for canned fish and seafood, OPA said. This situation was brought about because there was no time limit beyond which OPA would not be required to take account of a seller's operations.

The establishment of a specific three-year operational period is intended to

prevent sellers who had not operated regularly as primary distributors before the war from being able to collect an extra profit margin now, OPA added. Sellers who have been authorized to price upon the basis of their operations for any one-year period since April 28, 1939, are not affected by the amendment.

Authorizations to price upon the basis of sellers' operations before April 28, 1939, are revoked, and the sellers will file new applications with OPA if they wish to qualify as primary distributors for any kind of canned fish or seafood.

Other Changes in the Order

Provisions requiring the submission of information by applicants who wish to be classified as primary distributors have been changed somewhat.

The coverage of the regulation has also been extended to include those kinds of canned fish and seafood for which canners' ceilings are established under Maximum Price Regulation 587—issued since MPR 542 was put into effect.

Sections in the regulation containing certain restrictions on the amount of canned fish and seafood that primary distributors could handle at the mark-up have been deleted. The issuance of a supplementary order to the canner regulations that limits amounts that canners may sell to primary distributors, makes the former quantity restrictions of MPR 542 unnecessary.

Civilian Supplies of Canned Fish Become More Plentiful

Civilian supplies of canned fish will soon become more plentiful on grocers' shelves as a result of two developments—current heavy production in several of the major fish canning industries, and a sharp reduction in military requirements, the U. S. Department of the Interior has announced.

Both the tuna and sardine fisheries of the Pacific Coast are increasing their pack substantially over last year. Although the pack of Alaska salmon, Maine sardines, and Pacific mackerel is somewhat below the 1944 figures, the fact that the Government has reduced its purchases drastically since VJ-Day will mean increased quantities of all kinds of canned fish for civilians, the department stated.

During the first seven months of this year the California canneries, which receive the bulk of the tuna catch, have packed 1,786,418 cases of tuna, compared with a pack of 1,522,020 cases during the same period last year. The 1945 pack is well above the seasonal five-year average of 1,368,000 cases.

The Pacific pilchard or sardine fishery had registered a good lead over last year by the end of August. The year's total at that time stood at 1,029,790 cases, as against 908,266 last year. The new pilchard season began August 1. During the first month of the season the industry packed 403,823 cases, compared with only 251,476 cases in August 1944.

The pack of Alaska salmon, expected to fall below the average because of small runs of fish, totaled 4,241,897 cases by September 2, compared with 4,813,651 cases by the same time last year. Because of the recent reduction of government purchases from 80 to 40 per cent of the pack, however, civilians this winter should see more canned salmon than for several years, despite the small pack.

Maine sardines and Pacific mackerel, according to the most recent reports received by the Coordinator of Fisheries, also are behind last year's production. At the end of July the Maine sardine pack stood at 1,244,123 cases, compared with 1,487,341 in 1944. Pacific mackerel for the first seven months of 1945 totaled 61,077 cases, as against 80,818 in 1944. The months of peak production in this fishery are from October through December, however.

Alaska Salmon Pack Report

The following table, prepared from statistics compiled by the U. S. Fish and Wildlife Service, shows the pack of Alaska canned salmon by regions and varieties, through September 8, 1945, as compared with a similar period in 1944:

Districts	1945		1944	
	Cases		Cases	
Western Alaska.....	704,533		1,027,036	
Central Alaska.....	2,067,688		1,864,956	
Southeastern Alaska.....	1,491,708		1,939,766	
Total.....	4,263,949		4,831,758	
Species				
King.....	37,117		33,740	
Red.....	1,166,035		1,567,411	
Pink.....	2,210,503		2,039,869	
Chum.....	675,020		994,764	
Coho.....	175,268		195,974	
Total.....	4,263,949		4,831,758	

Report on Russian Fisheries

At the request of the National Canners Association, Ernest C. Ropes, chief of the Russian division of the Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce, has agreed to prepare a report on the fisheries of Russia. This report will be similar to the report on Japanese fisheries issued recently by the Far-Eastern division. The Russian report is ex-

pected to be completed shortly and will be made available to the fish-canning industry and to the public.

Stocks of Frozen Fish Held in Cold Storage Are Reported

Holdings of frozen fish in cold storage on September 1, 1945, totaled 107,731,000 pounds as compared with 123,255,000 pounds on September 1, 1944, and 80,523,000 pounds on August 1, 1945, according to the U. S. Department of Agriculture. The following table lists by varieties the quantities of frozen and cured fish held in cold storage during the three reporting periods:

	Sept. 1, 1944	Aug. 1, 1945	Sept. 1, 1945
Salt water fish:			
Cod, haddock, hake, pollock.....	4,706	1,258	1,972
Croakers.....	2,734	279	715
Eels.....	164	30	56
Fillets (all kinds).....	16,447	15,483	21,025
Flounders (sole, fluke, etc.).....	2,080	887	1,279
Halibut.....	17,629	16,766	17,530
Herring, sea.....	1,922	1,327	919
Mackerel (Boston).....	11,882	4,589	5,884
Sablefish (black cod).....	4,109	1,982	2,773
Salmon (all kinds).....	8,856	6,506	11,694
Scup (porgies).....	2,176	1,134	1,188
Sea trout.....	937	203	383
Shad and shad roe.....	1,592	455	797
Smelts (sea).....	1,027	1,474	1,488
Other salt water fish.....	30,647	19,685	27,774
Fresh water fish:			
All varieties.....	11,686	2,979	4,037
Shellfish:			
Scallops.....	710	687	860
Shrimp.....	2,063	2,080	3,989
Spiny lobster tails.....	44	64	84
Squid.....	1,036	1,577	2,166
Other shellfish.....	808	1,078	118
Frozen fish, total.....	123,255	80,523	107,731
Cured fish, total.....	24,341	17,255	19,527
Total, all fish.....	147,596	97,778	127,258

U. S. Civilians to Have Less Sugar During Fourth Quarter

The U. S. Department of Agriculture has announced that U. S. supplies of sugar for the fourth quarter of 1945 will total 1,222,610 tons, or 317,000 tons less than the average pre-war distribution in the fourth quarter. Supplies for this quarter, however, will be 68,000 tons higher than the low point reached in 1942. The total of 1,222,610 tons for the October 1-December 31 period has been allocated as follows:

U. S. civilians, including home, institutional and industrial users—982,000 tons; U. S. military and war services, including indirect use in confections, etc.—174,000 tons; U. S. military relief feeding—8,000 tons; liberated areas through UNRRA and other programs—31,000 tons; and U. S. territories and other exports—27,000 tons.

The 982,000 tons allocated to U. S. civilians, not counting some delayed

marketings under the third quarter allocation, is approximately equal to the 1942 quantity for civilians, although 562,000 tons lower than the quantity made available to civilians in the fourth quarter of last year. On the basis of this allocation and estimated distribution so far this year, it now appears that the civilian per capita consumption will average about 73 pounds compared with 89 pounds last year and 96 pounds for the pre-war years 1935-39.

Report on Tin Supply

Oliver Willits, who was appointed by the Planning Committee to contact the Government on behalf of the canning industry with regard to the supply of tin, reported briefly to members of the Legislative Committee while the latter were in session at N. C. A. headquarters this week.

Mr. Willits referred to the official report on tin supplies issued by the War Production Board and reported in last week's INFORMATION LETTER. He stated he was glad to report that the Government is seeking information regarding tin, through all the agencies at its command, and that daily cables are going to the Orient on this subject alone.

"While it is entirely too early to obtain and compile data, there seems to be more optimistic feeling than there was two or three weeks ago," Mr. Willits stated.

South Florida Elects Officers

Officers of the South Florida Canners Association, elected at the annual meeting September 19 at West Palm Beach, are the following:

Sig Bechtold, North American Canning Co., Dania, president; J. Logan Bloodworth, Cherokee Products Co., Ft. Pierce, vice-president; W. J. Rothrock, Bellegrade Canning Co., Bellegrade, secretary-treasurer; George Penrose, executive vice-president, Coral Gables.

Surplus Administrator Named

W. Stuart Symington, who has been a member of the 3-man Surplus Property Board was confirmed this week as Administrator of the Surplus Property Administration.

Patterson War Secretary

Robert P. Patterson, former Under Secretary of War, has been named Secretary succeeding Henry L. Stimson, who resigned this week.

SINGLE ARMED SERVICE PROCUREMENT AGENCY FOR POSTWAR RECOMMENDED BY SPECIAL FOOD COMMITTEE

That one War Department agency be empowered to purchase subsistence in the postwar period for all armed services is the recommendation of the Special Food Committee, appointed by Secretary of War Patterson to make a study of the Army's food administration. The committee was delegated to make a report by Mr. Patterson while he was still Under Secretary of War. Its members are:

Chairman, Austin S. Iglehart, General Foods Corporation; H. T. Cumming, Curtice Brothers; George L. Clements, Jewel Tea Company; C. P. McCormick, McCormick and Company; Walter Page, New York; and Francis L. Whitmarsh, F. H. Leggett and Company.

In recommending a single agency for future subsistence procurement the Committee stated that in general it had found the Army's function of purchasing food for a number of services and organizations of great aid in eliminating conflicting demands on industry. "While independent purchases are made in some instances by USDA, Navy, Marine Corps, and Coast Guard, the Army has always cooperated closely with these organizations," it was stated. Following are a number of other excerpts from the Committee's special report:

The over-all subsistence program has been carefully planned and has been adequately implemented by exceptionally well qualified military and civilian personnel. The Committee was most favorably impressed with the high caliber of the officers and civilian employees who direct and execute the entire subsistence operation, including the personnel of the Veterinary Corps.

It is the consensus of the Committee that the Army's food requirements are developed on a sound and practical basis and in such a way as to lighten the demands on short items, with due consideration to the impact on civilian needs. The Army's estimates of requirements are recast monthly. They are based on strength, using the standard menu for adequate diet.

The Committee believes a good job of procurement has been performed in the light of the following:

According to Army figures the cost of feeding a man per day has increased since 1941 to the present time 29 per cent. According to Bureau of Labor Statistics' figures wholesale food prices have increased 27.7 per cent in the same period.

The full significance of these figures is best appreciated by taking into consideration the high cost of special rations, special hospital diets, the losses

due to wartime contingencies, and the difficulties of training inexperienced personnel in the handling and preparation of food.

The Committee wishes to call attention to the fact that if subsistence is to function efficiently in the days ahead on the basis of a decrease in Army strength when levels must be consumed or disposed of as surplus, it must have an accurate forecast of future strength. While the OQMG's subsistence program is flexible, the unexpected advent of V-J Day emphasized the need for more accurate figures on future strength in order to assure a ready solution to the problems of planning subsistence on a proper basis.

The necessity for effecting adjustments in the operations of all branches of the Subsistence Division makes it essential that the OQMG be furnished promptly with:

- a) Accurate inventory of food stocks in all overseas theaters
- b) Accurate forecasts of troop strength in the respective areas
- c) Accurate estimate of civilian feeding to be taken care of by the Army

The Committee recommends that steps be taken to insure that such information be made available at the earliest practicable date.

The Committee reviewed all items which the Army purchases and studied their inventories in all positions. Accurate and reliable figures were available in all situations except in regard to overseas stocks. Because of the exigencies of war it was difficult to secure timely reports on these stocks.

While the Committee found some rather important instances of stocks of food above the levels considered necessary for wartime conditions, there are, nevertheless, few cases where the items referred to cannot be consumed before March 1, 1946.

Figures from the Pacific theater do not appear to be as accurate as those from the European theater but it is believed the quantities in the former theater are not sufficiently large to influence greatly the totals in most items.

Troops are still moving to this theater but not at the rate planned. The building up of excess subsistence has been stopped. The inventory position presents no problems as all foods can be consumed by troops in the area.

Because of the demand for food in all quarters of the world, any commitments or food in storage not needed for the revised program can be more readily disposed of today than at a later date when new crops and new supplies become available.

Where the Army finds itself with larger stocks or larger commitments than the reduced strength requires, it

would seem desirable to notify the industry that the Army does not expect to be in the market for such items until some approximate future date. This would help the Army's policy of endeavoring to cause a minimum of dislocation to the industry and to the consumer market.

The Army's policy of procuring food within the price limitations and regulations of the civilian agencies of the Government is sound. The Army policy was to buy within OPA ceilings and whenever the market permitted it, below ceiling prices. When certain items with ceilings were regarded as high in relation to alternate products, the Army remained out of the market in these items.

The Subsistence Division of the OQMG exercised sound judgment in acquiring food products that have seasonal periods of production by purchasing such items during their flush season and storing them carefully for use during the months of non-production or when production is below needs of civilian consumption. Canned fruits and vegetables, butter, meat, eggs, cheese, etc., fall in this classification.

We believe the Army's policy for distribution in the zone of interior; namely, of moving goods from the contractor to the camps, posts, and stations direct, where possible, is sound. We are told that approximately 80 per cent of these supplies move direct, instead of through central or regional depots. Regional depot stocks are used primarily for the filling of LCL orders to camps, posts, and stations, permitting in many cases combinations of orders in straight cars.

Reports maintained at the several installations visited indicate that loss or wastage of foodstuffs occasioned by failures in transportation, storage or distribution within this country, have been negligible in relation to the quantities handled.

Daylight Saving Time to End

The Senate, by a voice vote on Thursday, passed H. R. 3974 which calls for the termination of daylight saving time at 2 a. m., September 30. The measure, having previously passed the House, was sent to the White House for the President's signature. Daylight saving time has been in effect throughout the nation since February 1942 as an electric energy conservation measure.

To Resume Water Transport

The Interstate Commerce Commission has authorized the War Shipping Administration to allocate vessels for the resumption of intercoastal and coastwise shipping operations which have been suspended since shortly after Pearl Harbor.

LABOR DEPARTMENT RECEIVES ADDITIONAL FUNCTIONS; OTHER REORGANIZATION CHANGES MADE AND PROPOSED

The reorganization of the Department of Labor, giving Secretary Schwellenbach additional powers, was announced by the President in Executive Order 9617 on September 19. On the previous day, the President announced the merger of the Office of Economic Stabilization with the Office of War Mobilization and Reconversion, and the resignation of former Stabilization Director Davis. Almost simultaneously, the House Committee on Expenditures in the Executive Departments approved a bill to grant the President widespread powers to reorganize the entire executive side of the Government with the exception of the Interstate Commerce Commission, the Federal Trade Commission, and the Securities and Exchange Commission.

Labor Department Reorganization

Under Executive Order 9617, the Secretary of Labor receives the functions, supervision and control of the National War Labor Board, the War Manpower Commission, the U. S. Employment Service, and the Retraining and Reemployment Administration created by the War Mobilization and Reconversion Act. The previously rumored transfer of the National Labor Relations Board to the Department of Labor was not accomplished.

While the Secretary of Labor is to control and supervise the operations of the National War Labor Board, the executive order specifically provides that the Secretary shall not have power in individual cases to modify decisions by the Board which are "brought before it pursuant to law." In these cases, the Secretary cannot modify the Board's orders which will have the same finality as they had prior to the reorganization. This provision suggests that the National War Labor Board will remain a semi-independent agency within the Department of Labor, subject to some type of general policy control by the Secretary of Labor.

Office of Economic Stabilization

The precise effect of the announced "merger" of the Office of Economic Stabilization with the Office of War Mobilization and Reconversion under Director Snyder is not yet clear in the absence of publication of the executive order authorizing the merger. The merger results in the abolition of the position of former Stabilization Director Davis. The merger was widely interpreted as a denial of Mr. Davis' widely publicized statement that the Government policy would be to bring about wage increases up to 50 per cent

in the next five years, while holding prices at their present levels.

In accepting Mr. Davis' resignation, President Truman stated in a letter that the merger was made on Mr. Davis' recommendation, accompanied by Mr. Davis' resignation. The President said he had no alternative but to yield to Mr. Davis' desire to resign. The President took occasion to state in his letter that Mr. Davis' statement was misunderstood, and that clearly it was not an announcement of any new governmental policy.

Government Reorganization

The House bill reported by the House Committee on Expenditures in the Executive Departments basically is a re-enactment of the reorganization powers originally granted to President Roosevelt in 1939. In distinction from the original measure, however, practically all agencies of the Government would be subject to this reorganization.

President Truman urged enactment of this bill in his presidential message on the main ground that the various reorganizations were effected during the war under temporary war power and are as a result likewise temporary. In order to avoid the necessity of returning to a pre-war governmental organization which might not fit into the present governmental administrative requirements, President Truman urged that he be given power to continue to reorganize the Government on an efficient basis after the temporary war reorganization powers expire.

Forthcoming Meetings

September 25—Food Forum Meeting, Hotel Continental, Chicago, Ill.

October 11—Association of Pacific Fisheries, 32nd Annual Convention, Spokane, Wash.

October 15-16—Boston Conference on Distribution, Hotel Statler, Boston, Mass.

October 16-17—Board of Directors, National Pickle Packers Association, with Eastern Seaboard pickle manufacturers, Hotel New Yorker, New York City.

October 17—Special meeting of the pickle and kraut manufacturers of the New York Metropolitan District and the Eastern Seaboard, Hotel New Yorker, N. Y. C.

October 18-20—Florida Canners Association, Fourteenth Annual Meeting, Sheraton-Plaza Hotel, Daytona Beach.

October 18-19—Michigan Canners Association, plant sanitation meeting, Michigan State College, East Lansing.

November 5-6—Michigan Canners Association, Annual Fall Meeting, Pantland Hotel, Grand Rapids.

November 12-13—Wisconsin Canners Association, Annual Meeting, Schroeder Hotel, Milwaukee.

November 29-30—Pennsylvania Canners Association, Annual Convention, Yorktowne Hotel, York.

1945 Canners Directory Mailed to N.C.A. Members

The 1945 edition of the "Canners Directory," compiled by the National Canners Association, is being distributed to members and to firms who used advertising space. Non-members and other interested parties may purchase copies at \$2 each.

The directory lists the names of canners, their addresses, plant locations, and the commodities they pack. It includes the names of officers of the National Association and of State, regional, and commodity canners associations. Officers and members of the Canning Machinery and Supplies and National Food Brokers Associations also are listed.

Frozen Food Locker Plants Show Marked Increase in 1944

An increase of 1,182 frozen food locker plants in the 48 States between July 1944 and July 1945 is reported by the U. S. Department of Agriculture. The 1945 count is 6,464 locker plants, in active operation, according to information furnished the Department through State extension services. It is probable that some plants, especially the newer ones, have not been reported. The distribution by States ranges from two in West Virginia to 600 in Iowa. Minnesota is second with 477 and Wisconsin a close third with 473.

Last year's increase is the largest yearly expansion since the Department's count of such plants was begun in 1938. Extension specialist K. F. Warner, who prepared the report, attributes the large increase in frozen food locker plants to a combination of three main causes—the release of more material for plant construction, additional use of second-hand equipment, and sustained public interest in local storage of home-raised food.

The present annual summary is the eighth. Each has shown a substantial increase in number of frozen food locker plants over the preceding year but last year's increase was by far the greatest.

NWLB RULES THAT WAGE INCREASES UP TO 55 CENTS AN HOUR MAY BE REFLECTED IN 1945 CEILING PRICES

An official ruling has been obtained from the National War Labor Board stating that the following wage increases under General Order 30 of the National War Labor Board as recently amended, made without specific Board approval, are considered increases approved by the Board:

(1) Increases up to 50 cents an hour now made and retroactively effective to any date not earlier than November 11, 1944; (2) increases now made up to 55 cents an hour and retroactively effective to a date not earlier than May 23, 1945; and (3) increases between 50 and 55 cents made under General Order 30 without previous War Labor Board approval permitting reflection of these increases in ceiling prices.

General Order 30, as last amended on August 30, permits wage increases up to 55 cents to be made and reflected in ceiling prices without Board approval. This official ruling confirms the informal interpretation concerning such increases reported in the INFORMATION LETTER for September 8, 1945, on page 8765. These increases may therefore be reflected in 1945 ceiling prices if the other requirements of Supplement 13 are satisfied.

Supplement 13 to Food Products Regulation 1, fixing ceiling prices for the 1945 pack of canned fruits and vegetables permits increases in basic wage rates "approved by the National War Labor Board" to be reflected in these prices if 50 per cent or more of the pack was processed "after the effective date of the increase." The Office of Price Administration, in its official interpretation of Supplement 13 by questions and answers, reported in the INFORMATION LETTER for September 15, and also in its Statement of Considerations for the issuance of Supplement 13, has stated that increases made under the provisions of General Order 30 of the NWLB are "increases approved by the" Board.

To enable the canners to deal with wage increases under the recently amended General Order 30 in accordance with the provisions of Supplement 13, counsel for the Association pointed out to the NWLB that the Director of Economic Stabilization had authorized the OPA (by Directive 75, see INFORMATION LETTER for August 11, 1945, page 8732) to reflect certain wage increases for canned fruits and vegetables in 1945 ceiling prices. In the following questions, Counsel asked what increases, made without specific Board action are now considered "approved" by the Board under General Order 30, as last amended:

1. May an employer now grant a retroactively effective increase up to 50 cents an hour? If so, to what date may such increase be retroactively effective?

2. May an employer now grant a wage increase up to 55 cents an hour and make such increase retroactively effective? If so, to what date may such increase be made retroactively effective?

3. May an employer who after May 23, 1945, granted an increase between 50 and 55 cents per hour without Board approval but who did not reflect such increase in his ceiling prices now reflect such increase in his ceiling price under the General Order 30 as amended on August 30?

In reply, the National War Labor Board gave its following official ruling in a letter dated September 18, 1945:

You are advised that under the circumstances outlined in your letter, wage increases now granted by an employer up to 55 cents and made retroactive to May 23, 1945, the date General Order 30 was amended to permit employers to make adjustments up to 55 cents without Board approval, will, so far as the War Labor Board is concerned, be considered as wage increases approved by the War Labor Board within the meaning of applicable price regulations of the OPA. The same rule applies to increases up to 50 cents an hour, made retroactive to November 11, 1944, and to increases made after May 23, 1945, between 50 and 55 cents without Board

1944 Subsidy Papers

Officials of the Commodity Credit Corporation have brought to the Association's attention the fact that many canners who had previously indicated their desire to participate in the 1944 canned vegetable subsidy program have not completed the execution of the necessary documents to become eligible for payments. CCC points out that the last date for execution of the documents is December 31, 1945, that the eligible sales period expires November 30, 1945, and the expiration date for filing subsidy claims is December 31, 1945.

approval, which were not reflected in ceiling prices at that time.

The "circumstances" referred to in the letter are the facts that wage increases were permitted by the Director of Economic Stabilization by Directive 75 and by OPA in Supplement 13 to be reflected in 1945 ceiling prices if the other conditions of Supplement 13 are met. These conditions are that the increase must have raised the wage rate for unskilled female labor since January 1, 1944, and that the increase must apply to more than 50 per cent of the 1945 pack.

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